CORPORATE WINDOW

Encouraging female entrepreneures

The main barrier for women-led businesses, SMEs, and cottage industries isn't just financing and safety, but a lack of government support and fragmented responsibilities across ministries

By Kalbe Ali

The government is set to approve the first 'Women Entrepreneurship Development Policy' (WEP) in the coming days, aiming to bring almost half of the country's population into the formal productive sectors. Officials envisage that promoting women's entrepreneurship will lead to the growth of small and medium enterprises (SMEs) and cottage industries in the country.

Though the policy is expected to be approved, the key challenge will be to convince the provinces to adopt it while also eradicating duplications to ensure smooth implementation.

The WEP aims to create an equitable and inclusive business environment for women entrepreneurs through measures such as supporting women working informally to transition to the formal sector, exploring new corporate regimes for small business owners, and developing fiscal policy packages and reducing regulatory costs, focusing on ease of doing business.

The other key initiative suggested is to promote women's financial inclusion through dedicated financing for women-specific initiatives, expanding existing federal and provincial programmes, and ensuring that all banks fully implement the State Bank of Pakistan's equality policy.

Moreover, the policy aims to promote women's access to markets by setting up display and exhibition facilities. The policy added that institutional support for women entrepreneurs is vital to address cross-cutting and multi-sectoral challenges, recognising the need to support high-growth women entrepreneurs in technology and proposing measures such as a Women's Entrepreneurship Platform, women-specific incubators, and dedicated spaces in technology parks.

Among other things, the policy has highlighted a methodology to promote access to information, awareness creation and advocacy. This is essential because most of the 28 women's chambers of commerce and industry (WCCIs) across the country do not have a functioning website, and even those that do lack promotional links showcasing their members' businesses.

Haroon Akhtar Khan, Special Assistant to the Prime Minister on Industry, acknowledged

that currently, women's businesses and chambers are considered supplementary sources of income for families or just sideline activities of a mainstream family business.

He said the government was taking steps to promote SMEs and cottage industries, including relocating the Small and Medium Enterprise Development Authority (Smeda) headquarters from Lahore to Islamabad to facilitate regular interactions with them. He added that implementing the 'Women Entrepreneurship Development Policy' will promote women's business ventures.

"We understand that empowering women to develop entrepreneurship is based on their local knowledge and expertise, as there is no single solution or business that can be applied to all communities," Mr Khan said, "But there are necessities that act like platforms to boost businesses."

He added that women needed to adopt a digital approach, formalise their businesses (eg, becoming filers), and be more active with their local chambers of commerce, preferably the women's chambers, to strengthen their voice.

Incidentally, the establishment of WCCIs has sparked a new political tussle among the country's business community, as almost all existing chambers consider their respective WCCIs their rivals.

Samina Fazil, President and founding member of Islamabad WCCI, complained that almost all WCCIs in the country have offices in rented space, and that the necessary government support to encourage women-led businesses, SMEs, and cottage industries is not visible. "The chambers have given two slots for female entrepreneurs in their executive body and silently discourage women from joining the WCCIs," Ms Fazil added.

Similarly, Falahat Imran, President of Lahore WCCI, said that WCCIs should be treated as equals. "We have tried and tested the previously built chambers and the government. The stark reality is that we are on our own." She said that WCCIs have to keep trying their best: "We will keep moving forward."

The WCCIs experience low membership retention due to several reasons, including cultural and societal pressures that limit independent women's participation in business activities and leadership roles. Unfortunately, male-dominated industries are also visibly reluctant to include women-led businesses in collaborative initiatives.

Amna Munawwar Awan, Founder and President of Khushab WCCI, said that they face challenges in mobilising women entrepreneurs from rural and underdeveloped areas due to insufficient access to market linkages, both local, national, and international, restricting their growth.

"Rural women have issues related to safety, mobility, and transportation, reducing attendance in chamber activities and trainings," Ms Awan added.However, the key reasons restricting the development of women-led businesses, SMEs, and the cottage industry in the country were not the unavailability of financing, safety, or lack of initiatives alone. But the roles and responsibilities in this regard are spread across different ministries and government departments.

While Smeda was under the Ministry of Industries, the banking sector had a different regulator, and the Chambers of Commerce and Industry and export-related issues were under the Ministry of Commerce.

Similarly, on-the-ground responsibilities, including law and order, are distributed among several departments in the respective provinces. Bringing all provincial and federal departments under a single vision and target has always been a challenge in Pakistan. ■

Preserving the essence of NFC

The centre must implement the provisions of the 18th Constitutional Amendment while upgrading the NFC resource distribution formula according to the changing economic environment

By Jawaid Bokhari

Centralisation based on democracy helps resolve issues. But the concentration of power at the cost of actual democracy denies citizens the choice and opportunity to improve their livelihoods, making existing problems more difficult to resolve.

Repeated calls from powerful quarters, including the International Monetary Fund, the armed forces, and the finance ministry, to rebalance the transfer of a larger chunk of divisible pool resources for the provinces under the 7th National Finance Commission (NFC) Award to the centre have gone unheeded, according to an analyst.

In multi-ethnic states, participatory democratic federalism works best to reduce disparities in economic development across provinces and regions, which is vital for ensuring economic and political stability and national security.

After the 26th and 27th amendments, if further changes were required, Minister of State for Interior Tallal Chaudhry says, "The government, along with its coalition partners, would proceed responsibly, ensuring the dignity of parliament is preserved."

Political stability primarily depends on shared values and principles among the people's representatives elected in free and fair elections. And the three tiers of the federation need to be empowered with rights and responsibilities according to their capabilities at each level.

> Planning Minister Ahsan Iqbal recently said the population-based share should be gradually reduced so that resource allocation is linked to population decline

Informed sources reportedly said that Prime Minister Shehbaz Sharif wanted to set the ball rolling at the political level on key centre-provincial matters before opening the debate on financial arrangements at the technically constituted NFC forum.

In principle, the prime minister has adopted the right approach. Critics, however, argue that he has no official role in the NFC engagements after the president constitutes it. Nevertheless, the prime minister has been hinting at continuing the dialogue with the PPP on the issue.

The 11th NFC was constituted on August 22, and its first meeting was called on August 27. After further delays, it was expected to meet in late November; it has been delayed once again to December 4.

The five-year 7th NFC Award (2010) was a major step towards financial federalism as part of the evolving participatory federal democracy envisioned by the 18th Amendment and grant of administrative, political and legislative autonomy to the federating units. Now it is time to build upon what has been achieved so far.

The Sindh budget documents claim that the 7th NFC Award was historical because it broke the status quo of the revenue-sharing formula among the provinces that was based solely on population. All four provinces agreed on a multi-criteria-based formula involving population (82 per cent), poverty (10.3pc) inverse population density (2.7pc) and revenue generation collection (5pc), with an additional 1pc share for Khyber Pakhtunkhwa (KP) for the war against terrorism.

Furthermore, the sales tax on services was devolved to the provinces. Federal tax collection charges were reduced from 5pc to 1pc.

In view of the sharp rise in poverty levels both between provinces and within each province, it becomes imperative to raise the allocation for poverty proportionately. The proposals being discussed at the official level include increasing the weightage of revenue collection from the present 5pc, which could provide more fiscal space to address uneven regional economic development.

The fiscal space provided by the reduction in population weightage could also create room, for instance, to raise the allocation to inverse population density, now at 2.7pc. That is how underdeveloped Balochistan can be helped to catch up with relatively more developed Sindh and Punjab.

The weightage should not be higher than 40pc for any one criterion to make five-year adjustments easier, says a Business Recorder editorial, adding: the adjustments would not generate resistance from any one province, as the country's economy as well as that of each federating unit evolves.

Only the population alone is allocated 82pc of the total NFC pool resources. Planning Minister Ahsan Iqbal recently said the population-based share should be gradually reduced so that resource allocation is linked to population decline. The federal government, in collaboration with provincial governments, he stated, is formulating a comprehensive action plan in this regard.

Then the issue of earmarking NFC funds sought by PTI for Federally Administered Tribal Areas merged with KP has to be settled amicably.

Harmonious relationships among the provinces would, in turn, strengthen the federation. The centre also needs to faithfully implement all provisions and stipulations of the 18th Constitutional Amendment while upgrading the NFC pool resource distribution formula to reflect the changing economic environment.

The 18th Amendment provided constitutional protection to the share of the federating units, stipulating that a sub-federation's share in any future award must not be less than its share in the previous award.

In the current political situation, particularly the sharp divergence of views between the two major coalition partners, the PPP and PML-N, any constitutional amendment to reduce provincial shares seems impossible. ■

Coddling exchange rate backfires

Continued from Page 1

Pakistan's external position remains to swings in global commodity prices, which inflate the import bill, and to the performance of workers' remittances, the country's most reliable source of foreign exchange. In FY22, a steep widening of the deficit depleted foreign exchange reserves, triggered a balance-of-payments crisis and forced renewed engagement with the International Monetary Fund.

The subsequent reduction of the deficit in FY23 and the modest gap in FY24 were largely the result of policy-driven measures, most notably stringent import controls that helped compress demand but also dampened economic growth and killed industrial activity. Last year's surplus was primarily due to record-high remittance inflows, controlled imports and stronger information technology and telecom exports, which together offset the persistent deficit in goods trade.

Analysts argue that the core problem is structural: Pakistan consumes far more than it produces. "Pakistan's structural weaknesses, primarily its heavy dependence on imports and a chronically weak export base, have historically kept the current account in deficit," a banker noted. "The growing deficit mirrors a deeper vulnerability: we are a country trapped in a debt cycle, where we borrow to finance consumption and then borrow again to repay those loans."

Textile exporters share this view. "The way forward requires a decisive shift toward a productivity-led, export-oriented growth model. That means redirecting incentives toward production and exports. Pakistan needs a productivity revolution to build a competitive, export-driven economy," said an exporter from Faisalabad. But he added that such a transformation requires consistent policies sustained over several years. "While we move in this direction, we must align our exchange rate with our industrial competitiveness to protect our existing exports for now."

Another major textile exporter was sharply critical of the government and the SBP for "artificially managing the exchange rate". He lamented, "It took us 15–20 years to build a competitive interbank market, which we have destroyed by managing the exchange rate. How come all banks quote the same rate unless the exchange rate is being managed?"

He rejected the claim that the exchange rate has little bearing on export competitiveness. "Undoubtedly, a sudden major spurt of devaluation after a period of managed exchange rate does not help; rather, it hurts the economy, as we have seen since the early 2000s. Each period of managed exchange was followed by rounds of major devaluations, leading to hyperinflation and expensive raw material imports, and all this happened after our exporters had already lost market share internationally. Currency devaluation works only if it follows a gradual and natural course."

According to him, the government has limited options if it intends to keep the rupee "stable" at its present level without eroding export competitiveness further: interest rates would need to be slashed to 5–6pc from the current 11pc, and energy prices for exporters would have to fall substantially.

"The government and the central bank can manage the current account and the exchange rate as long as remittances keep growing. But they cannot protect goods and services exports by maintaining a lid on the exchange rate. The sooner this lid is lifted, the better, because the exchange rate has to adjust sooner or later. The longer it takes, the more damaging it will be for the economy and exports both." ■

How to hunt a duck curve

Continued from Page 1

which can be a rupee-per-kWh rate that tracks the system's short-run marginal cost (SRMC) and varies by time of day.

Moving to a marginal cost regime will eventually lead to an equilibrium price that mimics the actual demand-supply situation rather than one assumed in a silo somewhere.

The economic logic is straightforward: CS and NC are billed on the higher of the sanctioned load or the measured maximum demand. This anchors fixed-cost recovery in kilowatts of subscribed capacity, not in how many kilowatt hours a user happens to import in a given month.

The energy charge is allowed to fall toward the real midday marginal cost of generation, which recent data puts at low-teens per kWh, about half the evening SRMC.

This encourages industry to move energy-intensive processes into the daytime, soaking up surplus hydel, nuclear, and solar. This is exactly how most of us already buy broadband: we pay a monthly fee for a 50 Mbps pipe, not for the exact number of packets we consume. The provider's revenues depend largely on subscribed capacity, not on whether we streamed brainrot for 10 hours or two.

Pakistan's duck curve is not going away. The only question is whether we let it keep eroding the financial foundations of the power system, or whether we redesign tariffs to live with, and benefit from, a future where solar and batteries sit on every feeder and further strengthens the viability of the system, rather than being a threat. ■

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COMPANY NEWS

BusCaro surpasses 20m bookings

Pakistan-based mobility platform BusCaro has surpassed 20 million bookings, as per a press release. The company's growth reflects rising demand for reliable daily transport options across the country's largest urban centres.

Launched to address longstanding gaps in Pakistan's urban transit ecosystem, BusCaro operates in Karachi, Lahore, Islamabad, and Rawalpindi through business-to-business and business-to-business-to-consumer partnerships. It currently serves employees and students from more than 80 corporates, educational, and institutional clients.

Its routes are dedicated to partner organisations and supported by a proprietary technology stack that includes live tracking, operational monitoring, financial oversight, and integrated safety features. Parents and institutional clients cite real-time visibility and route discipline as key factors behind adoption.

The company recently secured an additional $2m in funding, bringing its total to $3.5 million. BusCaro states that it is nearing profitability, with an EBITDA of –2 per cent, several core routes already profitable, and margins improving with rising utilisation. It projects annualised revenue of $8.6m by the end of 2025.

IoBM's 9th Islamic conference

The 9th International Islamic Conference on Islamic Banking and Finance (ICIBF-2025) was organised by the College of Business Management (CBM), Institute of Business Management (IoBM) at a local hotel in Karachi on Nov 19–20 as per a press release. The event was hosted with Cambridge IFA as conference partner.

Federal Finance Minister Muhammad Aurangzeb shared a message for ICIBF saying that the theme reflects the global shift toward technology, sustainability, and ethical excellence. The event gathered over 20 international speaker, more than 50 C-suite executives, and representatives from national and global banking and finance institutions.

Key discussion, including a notable dialogue between Irfan Siddiqui of Meezan Bank and Dr Ishrat Hussain, former State Bank Governor, centred on Islamic fintech, sustainable finance, Shariah harmonization and smart Sukuks.

In his closing remarks, Rector IoBM, Dr Tariq Rahim Soomro, urged collaboration, emphasising that Islamic finance is a moral commitment and a global movement to shape financial systems upholding equity, transparency and shared prosperity.

KE continues battling electricity theft

K-Electric (KE) continues its anti-theft measures through a targeted *kunda* removal operation across multiple high-loss pockets in Liaquatabad, according to a press release. The drive focused on dismantling hazardous illegal connections that endanger public safety, compromise the city's power infrastructure, and cause losses to the utility.

KE's teams carried out coordinated action across the Supermarket, Sarafa Bazar, Batwa Nagar, and Bhandani Colony Blocks 1 and 2, removing nearly 270kg of kunda wires and disconnecting over 150 illegal connections from residential and commercial premises.

The drive is estimated to curb monthly power theft of around 20,000 units, translating to approximately 240,000 units annually. These *kundas* cause a financial impact exceeding Rs10 million annually.

Metro's 2025 supplier conference

Metro Pakistan (Pvt) Limited organised its Supplier Conference 2025 at Defence Raya Golf & Country Club, Lahore, as per a press release. The event brought together over 200 of Metro's top business partners from across the country.

The conference was led by Andriy Tsvykh, CEO of Metro Pakistan, along with members of the senior management team. During the session, the leadership presented Metro's sCore 2030 strategy focused on sustainable growth, multichannel expansion, and stronger partnerships.

The event concluded on a strong note, emphasizing Metro's differentiated position in Pakistan's wholesale landscape, built on shared ambition, long-term value creation, and a deep commitment to collaborative growth.

Aramco opens 50th retail station

Gas & Oil Pakistan Limited, in partnership with Aramco, inaugurated its 50th retail station on Srinagar Highway, Islamabad, as per a press release. The event gathered senior management and industry leaders to celebrate the launch, reflecting the company's growing commitment to Pakistan's retail fuel sector.

The new Aramco station also contributes to employment opportunities, local skill development, and economic activity in the surrounding community.